

about what is good politics, but what is good for their children and their grandchildren.

As this debate engages, I urge my colleagues in the Senate to listen to the voices of the people around the country and to understand that they expect us to come here to solve problems. That is why they have elected us, not to kick it down the road, not to sweep it under the carpet for another Congress and another President to deal with. If we wait, the cost will be much higher and the American people, the taxpayers, will experience a much higher degree of pain. It is the taxpayers who are ultimately going to have to bear the burden for the lack of responsibility demonstrated by the leaders of today if we choose to do nothing.

I look forward to this debate as it gets underway. I urge my colleagues to acknowledge what is clear, what is obvious: We have a problem. The second thing that is clear and is obvious is that the American people sent us here to solve problems. Let's not sweep it under the carpet or kick it down the road; let's do the responsible thing and acknowledge this is a problem that needs to be fixed. The solution will require bipartisan support in this Chamber and in the House of Representatives. We must work together to save and strengthen Social Security not just for my father's generation but also for my daughters' generation.

I yield back the remainder of my time, and I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. ENSIGN). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. MCCONNELL and Mr. BOND pertaining to the introduction of S. 414 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER. The Senator from Oregon is recognized.

ENERGY PRICES

Mr. WYDEN. Mr. President, last week, the Treasury Secretary, Mr. Snow, testified before the Senate Budget Committee that high energy prices act like a tax on consumers. Given that, what the Bush administration has called for is a huge tax on consumers throughout the Pacific Northwest. I am talking specifically about their proposal to require that people in our region pay \$2.5 billion more for energy in the days ahead because this administration wants to extract money from the Bonneville Power Administration's ratepayers above and beyond their costs.

I am very troubled about this proposal, particularly because when En-

ergy Secretary Bodman came to my office, I asked specifically about the administration's plan for Bonneville, and not just in the office, but when he came to the Senate Energy Committee for his confirmation hearing. Both times I was assured by Secretary-designate Bodman that he opposed proposals to privatize Bonneville. The assurances were provided just a couple of weeks before the Bush administration's budget was released with the plans that do, in fact, privatize Bonneville, for all practical purposes, by going to a different rate structure that seeks to extract money from Bonneville beyond its costs.

When I met with Dr. Bodman in my office, he was accompanied by Clay Sell, the White House energy adviser. I learned last night that Mr. Sell was well aware of the discussions within the administration that led to the Bonneville privatization proposal at the time Dr. Bodman was assuring me that he opposed privatization. In that meeting, and at his hearing, Dr. Bodman assured me that as far as he knew, the administration also opposed privatization. Clearly, that was not the case. Mr. Sell has since been nominated to be Deputy Secretary of Energy.

I have come to the floor today because the White House and the administration need to get the message. They cannot impose these devastating electricity rate increases on our region, first, without changing the law and, second, without an understanding that I and other Members from our region, Democrats and Republicans, will do everything we possibly can to prevent this misguided proposal to take huge amounts of dollars from our ratepayers and taxpayers. We are going to do everything we can to keep that proposal from passing in the Senate.

Now, I am not, this morning, going to announce a hold on the appointment of Mr. Sell as Deputy Secretary of Energy. In accord with the policy that I and Senator GRASSLEY have led the Senate on over the years, I do announce my holds publicly; and unless something changes, unless the administration drops this misguided concept—a concept that would be so punitive on our region at a time when we have very high unemployment and a world of economic hurt throughout our region—unless the administration drops their proposal, I will be forced to come back to this floor and have a public hold placed on the Sell nomination.

I remain very troubled by Mr. Sell's role in the discussions that took place in my office and Dr. Bodman's testimony before the Energy Committee when I was assured in both instances that there was opposition to privatization. I and other Members of the northwest congressional delegation are simply not going to let a sign be put up on the Pacific Northwest saying: Closed for business and energy tax hikes headed through the roof. This is too important to our area.

I am very hopeful that, working with colleagues—and I am particularly in-

terested in working with my good friend, the chairman of the committee, Senator DOMENICI—we can resolve this matter out so our region will not be devastated economically.

Senator DOMENICI, to his credit, has raised concerns about this misguided proposal to raise our energy prices in the Northwest. I intend to work closely with him, and I am very hopeful I will not have to come back to this floor and put a public hold on Mr. Sell's nomination to be Deputy Secretary of Energy. But if this is not worked out and it is not worked out quickly, I will have no other option because the ratepayers of our part of the world, at a time when they have experienced enormous economic pain, deserve to know there is not going to be a huge additional rate hike imposed on them and one that would do so much to cripple their hopes and aspirations.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Minnesota.

SOCIAL SECURITY REFORM

Mr. DAYTON. Mr. President, I rise today because my friends in the Minnesota Republican Party have started a petition online urging me to support President Bush's proposal to strengthen Social Security. I want to take this opportunity to assure the people of Minnesota that I would like to strengthen Social Security just as much as anyone else, and if President Bush or anyone presents a proposal that would actually strengthen Social Security, would protect its ability to pay its promised benefits to present and future retirees and other beneficiaries and also create opportunities to provide additional benefits, I will certainly support it.

I have not yet seen a proposal, including that from the President, that would improve upon the present system while continuing its current benefits.

For all the President's fine talk about helping Social Security's financial future, his current fiscal policies, the ones that are in effect right now, are seriously hurting Social Security's future finances and also weakening the financial strength of the entire Federal Government.

It is a mystery to me why the President is so alarmed by the crisis that he says will occur when Social Security starts running deficits at variously said times, such as 2018, 2028, or 2042, when the rest of the Federal Government's budget, everything else besides Social Security, is running enormous deficits for this year, last year, and for every year projected in the future under his proposed budget.

Last year's on-budget deficit was \$567 billion. A deficit of \$588 billion is expected for the current fiscal year, 2005, and almost \$2.5 trillion more in deficits are projected over the following 5 years under the President's proposed budget. That is the real financial crisis the

Federal Government is in right now, running huge operating deficits, by far the worst in our Nation's history, requiring massive Federal borrowing to finance them, adding over \$1 trillion to the national debt over the last 3 years, and another \$2 trillion over the next 5 years, with no end in sight.

No wonder the nonpartisan Concord Coalition, a Government watchdog organization founded by former New Hampshire Republican Senator Warren Rudman and businessman Warren Buffett, has called the President's fiscal policies the most reckless in our Nation's history.

In fiscal year 2000, which is the last full fiscal year under President Clinton's terms in office, the Federal Government ran surpluses in both its Social Security and on-budget funds. The Office of Management and Budget just a month after President Bush took office in 2001 projected surpluses in both of those major Government funds for each of the next 10 years. President Bush and the majority in Congress turned those surpluses into oceans of red ink by cutting taxes and increasing spending in each of the last 4 years. We also had 9/11. We have undertaken two wars. We went through a recession. There are certainly other factors.

In the midst of those, cutting taxes excessively was a primary contributor to these record deficits, and continuing those policies will only extend those deficits into the future. Yet that is what is being proposed again for this year's budget, next year, and the next. In fact, the proponents want to make future deficits even worse by making those previous tax cuts permanent, which would pile up trillions more in public debt which must be paid off, with interest, by today's children, teenagers, and young workers, the very people President Bush tells us will not have Social Security when they retire.

Unfortunately, with his current policies they will not have a country when they retire. The so-called ownership society will be the owe-the-ship society.

The second financial disaster that is happening in this country right now is that Social Security's current surpluses are being spent to pay for other Federal programs. Remember the Social Security lockbox that President Clinton established so Congress would not spend the annual Social Security surpluses but, instead, would invest it in ways that would truly strengthen the program for its future? Well, in 2000, Presidential candidate George W. Bush promised to protect that lockbox. Guess what. It is unlocked and it is empty.

Last year's \$155 billion surplus is gone. The previous year's \$160 billion surplus is gone. This year's \$162 billion surplus is going, and the next 5 years' surpluses in the Social Security trust fund, which would total over \$1 trillion, will also be gone under the President's proposed budget. They are gone to cover and to help continue part of those much larger deficits in the Fed-

eral Government's current operations. So that instead of cash or other investments, the Social Security trust fund is left with IOUs from the main Federal fund that borrowed them.

President Bush is correct when he says that when those IOUs must be repaid with interest to enable Social Security to meet its future obligations some date in the future, those additional payments will require additional Federal revenues from either higher taxes, less spending, or more Federal borrowing. If the President is right, if Social Security or even the entire Federal Government then faces a drastic financial meltdown, a bankruptcy, because workers and businesses at that time cannot afford those additional tax burdens, so the Federal Government cannot meet its obligations, whether to Social Security or to other Government programs and services, it will be a disaster that his fiscal policies have created, and that Congress through support or complicity created and made even worse, more severe, by the current deficit spending which the President proposes to continue doing right now, while at the same time he is talking about Social Security's long-term future.

As long as the current fiscal follies continue, whatever anyone says about doing whatever to Social Security years from now, as Shakespeare's *McBeth* said, is "full of sound and fury, signifying nothing."

All of these Senate speeches, all of those Presidential forums, all the millions of dollars of industry advertising, all sound and fury, signifies nothing, except signifying the financial greed that has driven the current fiscal policy and the political cowardice that is allowing it to continue.

What is needed right now, as my sons would say, is to get real, to stop all the speeches, forums, and advertising about what might or might not happen many years into the future and act on what is happening right now. It is very damaging to our country right now, and it is even more damaging to our country's future unless we act right now, this year, to stop it.

Acting right and acting now will take a lot of political courage. The President's budget shows a little but not nearly enough. It reduces spending by some \$20 billion next year. That leaves another \$560 billion to go in order to balance the Federal operating budget and leave the Social Security surplus in its lockbox—in other words, just to restore us to the level of fiscal responsibility that President Clinton left. That is a lot of political courage. It would require a major truth telling to the American people about how we got into this fiscal mess and how we are going to get out of it, starting right now, with no gimmicks, no games, just straight, honest accounting to balance the Federal budget without spending the Social Security money; to protect Social Security's surpluses and use them only for Social

Security; to stop borrowing for current spending and adding that to the increasing national debt and then to start to pay down that debt.

If the President and the Congress are really serious about strengthening Social Security's future, that is what we must do now, and that is the best that we can do now. Straightening out the current budget mess and putting the Federal Government back on a responsible and sustainable course of balanced operating budgets and accumulating Social Security surpluses is a real action plan. Everything else is just posturing and pretending. Because sound Federal fiscal policy now contributes to future economic growth, it increases the likelihood that Social Security, as it is currently structured, will be able to pay its promised benefits with future revenues and income for many decades to come.

Because Social Security's financial future is not cast in stone, there is nothing preordained that will happen at some future date. Social Security's finances will depend upon the future growth in the U.S. economy. The Social Security trustees make this very clear in their annual report by making three long-range projections based on different assumptions about the country's future economic growth. Their intermediate forecast is the one many people cite, incorrectly, as what will happen to Social Security. That projection assumes that growth in the U.S. economy over the next 75 years will be less than two-thirds of the past 40 years.

In the last 40 years in this country, real GDP grew at 3.3 percent a year. The trustees' intermediate forecast projects real GDP growth of 2.9 percent from 2004 to 2013 but then only 1.8 percent from 2015 to 2080.

Another one of the trustees' forecasts assumes real GDP growth of 3.4 percent per year over the next decade and then 2.6 percent per year from 2015 to 2080. That still is less on average than the 3.3 percent over the last 40 years. Yet with that rate of growth the Social Security trust fund's annual income is more than enough to pay for all promised benefits beyond the year 2080, the last year in the current report.

Social Security, under that growth scenario, runs an annual surplus every year into the indefinite future. In fact, in the last year in the projection, 2080, it would have income of \$4.2 trillion, make promised payments of \$3.5 trillion, leaving a surplus in that one year of \$700 billion, which would add to its assets that would end that year at almost \$18 trillion. That is not bankruptcy, that is prosperity.

What we need to do right now to assure not just Social Security's future solvency but its future prosperity is to keep the U.S. economy healthy and growing. The best help we can give to the future of Social Security is a sound fiscal policy right now of balanced operating budgets and minimal Federal spending. On the other hand, the worst

that we could do to jeopardize Social Security's future solvency and to necessitate the kind of drastic across-the-board cuts in future retirement benefits that are in the President's proposal is to continue the current fiscal policy of deficits and more deficits, to continue the proposal of making the tax cuts for the rich permanent, abolishing the estate tax, cutting capital gains, eliminating or reducing the tax on dividends, as if the rich are not rich enough already in this country and the superrich are not superrich enough. And, if the truth be known, most of them already pay far less than their fair share in taxes and many pay no U.S. taxes at all.

To continue the tax giveaway frenzies and the fiscal follies of the last 4 years is to doom Social Security's future and this country's economic future. To borrow more and more money from the rest of the world and spend the Social Security surpluses so the rich don't have to pay their share of taxes is, as the Concord Coalition said, "reckless fiscal policy." It is also destructive social policy, and it is the wrong public policy—wrong for the future of Social Security and wrong for the future of America.

I yield the floor.

THE PRESIDING OFFICER. The Senator from Hawaii.

Mr. AKAKA. Mr. President, I ask unanimous consent to speak for 10 minutes on the Veterans' Administration.

THE PRESIDING OFFICER. Without objection, it is so ordered.

VA HEALTH CARE

Mr. AKAKA. Mr. President, over the past 10 years, VA has made tremendous strides in its delivery of health care. In fact, VA's quality of care currently surpasses that of the private sector, according to several notable studies.

Though VA has been able to provide high-quality care despite less than generous budgets, we cannot count on that holding true. Indeed, if the administration's proposed cuts for VA care come to fruition, VA will no doubt begin to lose its footing. The President's budget offers a very modest increase for VA care—one that does not even cover medical inflation.

Veterans groups are united in saying that the proposed budget is not sufficient. The Disabled American Veterans has called the Administration's budget, "one of the most tight-fisted, miserly budgets in recent memory." The Paralyzed Veterans of America says that this budget shortchanges America's "sick and disabled veterans."

The President's budget calls on VA to save some \$600 million by squeezing efficiencies out of the system. I have been to VA hospitals and clinics, and I can tell my colleagues that \$600 million worth of efficiencies are not possible without cutting staff and services, the very services that have made VA care excellent.

As many of my colleagues know, VA already obtains some of the best prices

on pharmaceuticals. VA's costs are far below retail prices—in some cases 55 percent of average prices. It is unfortunate that the administration does not believe that Medicare's costs would be lowered if the Government could negotiate with drugmakers. VA has proven that it works. My point is that there really are not any more efficiencies to be gleaned from VA drug purchasing.

I will be working to increase the VA health care budget—to move from the realm of miserly to what is truly needed to care for all veterans. In the meantime, we should focus now on the tremendous advances VA has made and do our best to maintain VA care at the highest levels.

One of these studies, done by RAND Corporation, found that VA outpaces private health care systems in delivering care to patients. Among its findings, RAND found that VA patients were more likely to receive recommended health services than those in a national sample of patients using a private provider. It also concluded that VA patients received consistently better care across the board, including screening, diagnosis, treatment, and follow-up.

Additionally, an article—which I highly commend to my colleagues—in Washington Monthly titled "The Best Care Anywhere" explained at length how, in just 10 years, VA hospitals went from less than excellent care to the pinnacle of quality health care. Fostering the change is the focus on new technology to reduce medical errors. Such computer systems allow clinicians to electronically pull up all medical records for any patient. Doctors are able to enter their orders into a computer system that immediately checks that order against the patient's records. If the software then detects a dangerous combination of medicines or a patient's allergy to the newly prescribed drug, a red flag goes up on screen. The technology also reminds doctors to prescribe appropriate care for veterans after they have been discharged from the hospital, and it keeps track of which patients are due for follow-up services.

VA has made several other important strides in recent years, steps that have been crucial to VA's ascent to the top of the medical care field. Until the mid-1990s, VA was considered by most to be in crisis. Starting in 1996, however, Congress forced VA to focus on primary care and outpatient services. This change, known as eligibility reform, led to improvement in care at VA. I am proud that we made those changes. Veterans are coming to VA like never before. Rather than closing the doors—as the President is proposing—let us welcome all veterans into the system.

As ranking member of the Committee on Veterans' Affairs, I will work to ensure that VA continues to be a leader in health care by fighting for additional funding. We must all work to guarantee that all of our Nation's vet-

erans get the care they so greatly deserve.

I ask unanimous consent that the RAND study be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

IMPROVING QUALITY OF CARE—HOW THE VA OUTPACES OTHER SYSTEMS IN DELIVERING PATIENT CARE

In its 2001 report *Crossing the Quality Chasm*, the Institute of Medicine called for systematic reform to address shortfalls in U.S. health care quality. Recommended reforms included developing medical informatics infrastructure, a performance tracking system, and methods to ensure provider and manager accountability. The Department of Veterans Affairs (VA), the country's largest health care provider, has been recognized as a leader in improving the quality of health care. Beginning in the early 1990s, the VA established system-wide quality improvement initiatives, many of which model the changes the Institute of Medicine would later recommend.

How does the VA measure up against other U.S. health care providers? To address this question, RAND researchers compared the medical records of VA patients with a national sample and evaluated how effectively health care is delivered to each group. Their findings:

VA patients received about two-thirds of the care recommended by national standards, compared with about half in the national sample.

Among chronic care patients, VA patients received about 70 percent of recommended care, compared with about 60 percent in the national sample.

For preventive care, the difference was greater: VA patients received about 65 percent of recommended care, while patients in the national sample received 20 percent less.

VA patients received consistently better care across the board, including screening, diagnosis, treatment, and follow-up.

Quality of care for acute conditions—a performance area the VA did not measure—was similar for the two populations.

The greatest differences between the VA and the national sample were for indicators where the VA was actively measuring performance and for indicators related to those on which performance was measured.

VA DELIVERS HIGHER QUALITY OF CARE

Using indicators from RAND's Quality Assessment Tools system, RAND researchers analyzed the medical records of 596 VA patients and 992 non-VA patients from across the country. The patients were randomly selected males aged 35 and older. Based on 294 health indicators in 15 categories of care, they found that overall, VA patients were more likely than patients in the national sample to receive recommended care. In particular, the VA patients received significantly better care for depression, diabetes, hyperlipidemia, and hypertension. The VA also performed consistently better across the spectrum of care, including screening, diagnosis, treatment, and follow-up. The only exception to the pattern of better care in VA facilities was care for acute conditions, for which the two samples were similar.

VA CHANGES HELPED IMPROVE PERFORMANCE

The VA has been making significant strides in implementing technologies and systems to improve care. Its sophisticated electronic medical record system allows instant communication among providers across the country and reminds providers of patients' clinical needs. VA leadership has also established a quality measurement program that holds regional managers accountable for essential processes in preventive